

Bipartisan bill increases funding for small states

Washington, DC - Reps. Peter Welch (D-VT) and Heather Wilson (R-NM) today announced they are introducing a bipartisan bill to help the homeless suffering from mental illness in rural states.

The Wilson-Welch legislation increases the minimum funding that states receive, helping small states and states with rural populations such as New Mexico and Vermont.

The Projects for Assistance in Transition from Homelessness (PATH) program was created under the Public Health Service Act in 1990. It is a formula block grant to provide services for homeless or those at imminent risk of becoming homeless because of mental illness. It has successfully identified homeless people suffering from mental illness and helped deliver the medical treatment they need to lead stable lives.

The current funding formula for PATH was developed 17 years ago and fails to account for increasing homelessness in states with rural populations. As a result, several states have not had an increase in PATH funding since the program's inception in 1991.

The Wilson-Welch legislation fights homelessness by increasing PATH minimums for small states, correcting the unbalanced formula distributions.

"We need to make sure every state has the resources to identify and help people who are homeless and suffering from mental illness," Wilson said. "This program has been effective at bringing stability to their lives and funding for it should be equitable."

"The federal government should be a working partner with local communities in combating the tragic issue of rural homelessness," said Welch. "This bipartisan legislation shows promise for effectively addressing mental illness affecting so many of the homeless in Vermont and other rural areas."

Director of Homeless and Special Services for The Community Health Center of Burlington Thomas Cimock noted that, "It is great to have Congressman Welch as an advocate for combating rural homelessness by proposing a unique solution for smaller states like Vermont. The PATH program has been an effective tool for helping us address homelessness in Vermont and increasing the small state minimum would be a welcomed change."

PATH requires matching funds of \$1 from the state for each \$3 federal. The minimum mandated allotment for states is \$300,000. Additional funds are then distributed via a formula based on a proportion of "the population living in urbanized areas of the state."

This bill increases PATH minimums from \$300,000 to \$600,000.

In fiscal year 2005, Congress appropriated \$52.4 million for the PATH program. Up to 20 percent of the federal payments may be used for housing subsidies and other services to help individuals access housing resources. While Congress has increased overall PATH funding, many states such as New Mexico and Vermont continue to receive the same minimum allocation they received in 1991.